

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION

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In re:	§	
	§	CHAPTER 11
ALAMO IRON WORKS, INC., et al. <sup>1</sup>	§	
	§	CASE NO. 10-51269-RBK
Debtors.	§	
	§	(Jointly Administered)

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**EMERGENCY APPLICATION TO EMPLOY  
BDO CAPITAL ADVISORS, LLC  
AS INVESTMENT BANKER TO THE DEBTORS**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Alamo Iron Works, Inc. (“AIW”), Southwest Wholesale Supply Co., Inc., Alamo Advertising, Inc. and Alamark Technologies, L.P. (collectively, the “Debtors”), the Debtors in the above captioned cases (the “Cases”), hereby file this *Application to Employ BDO Capital Advisors, LLC as Investment Banker to the Debtors* (the “Application”). In support of the Application, the Debtors respectfully represents as follows:

**I. JURISDICTION, VENUE AND BACKGROUND**

1. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409(a).

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<sup>1</sup> The Debtors are the following entities: Alamo Iron Works, Inc., Southwest Wholesale Supply Co., Inc., Alamo Advertising, Inc., and AlaMark Technologies, L.P.

## **II. BACKGROUND**

2. On April 5, 2010 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”) in the Western District of Texas, San Antonio Division.

3. The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code. No creditors' committee has been appointed in these Cases by the United States Trustee. Further, no trustee or examiner has been requested or appointed.

4. The Debtors now seek to employ the professional firm of BDO Capital Advisors, LLC (“BDO Capital”) as Investment Banker. The name of the principal at BDO Capital is as follows:

Harrison L. Price, Managing Director  
BDO Capital Advisors, LLC  
700 North Pearl St., Suite 2000  
Dallas, Texas 75201  
Telephone: 214-969-7007  
E-mail: hprice@bdocap.com

5. As of April 8, 2010, the Debtors desire to engage BDO as the Debtors' exclusive investment banker. In that role, BDO will provide financial services and advice focused on arranging an expedited sale of essentially all of Debtors' operating assets under Section §363 of the Bankruptcy Code.

6. In connection with this engagement, BDO will assist the Company to work with various other stakeholders and official committee(s) in the following areas, if appropriate and as requested by the Company:

- (a) preparing it for an expedited sale of assets under §363 of the Code;

- (b) assisting the Company in establishing criteria for potential qualified purchasers and bidding procedures;
- (c) preparing certain information to support disclosure for purchasers, and coordinating the distribution of that material;
- (d) identifying, screening and ranking prospective qualified purchasers;
- (e) evaluating proposals received from potential purchasers;
- (f) advising the Company as to strategy and tactics to achieve the highest and best alternatives from a sale;
- (g) organizing and conducting an auction, as directed by procedures approved by the bankruptcy court;
- (h) recommending to the Company “highest or best” alternative for submission to the bankruptcy court;
- (i) testifying in bankruptcy court as may be required to fulfill its other duties under this agreement;
- (j) assisting the Company and its advisors through the closing process; and
- (k) supporting the Company in such matters as the Company shall request from time to time.

7. The Debtors have determined that it is in the best interest of their estates and creditors to employ the professional services of BDO Capital. The postpetition agreement will become effective as of April 8, 2010. The Debtor seeks to retain BDO Capital to serve as investment banker and to perform any services should it be determined that any of the services to be provided are governed by Financial Regulatory Authority (“FINRA”). Specifically, Harrison L. Price will serve as managing director on this project.

8. Subject to Bankruptcy Court approval, the Debtors shall hold BDO Capital harmless for its past, present or future from and against any and all claims, liabilities, losses, expenses and

damages (and any actions, mediations, arbitrations, and administration, regulatory or other proceedings, inquiry or investigation in respect thereof), joint or secured (each a “Claim” and collectively, the “Claims”) related to or arising in any manner from, or based upon a sale. The indemnification agreement is attached to the Engagement Letter as Exhibit I.

9. The Debtors have determined that the professional standing, competency and reputation of BDO Capital are high and that Harrison L. Price is qualified to provide the services requested by the Debtors.

10. All of the applicable terms of the proposed Agreement are incorporated into the engagement letter attached as **Exhibit A** (the “Engagement Letter”).

**DISCLOSURES OF CONNECTIONS WITH DEBTORS AND PARTIES IN INTEREST**

11. BDO Capital has advised the Debtors that it is willing to accept such representation, that it neither holds nor represents an interest adverse to the estate, and that it is a disinterested person within the meaning of 11 U.S.C. Section 327(a).

12. The affidavit of Harrison L. Price setting forth BDO Capital’s connections with the Debtors, creditors, any other parties in interest, their respective attorneys and accountants, the United States Trustee, or any person employed by in the office of the United States Trustee is attached hereto as **Exhibit B** in accordance with Rule 2014(a) of the **FEDERAL RULES OF BANKRUPTCY PROCEDURE**.

13. Subject to the Court’s approval in accordance with 11 U.S.C. § 330(a), the compensation to be paid BDO Capital will be based upon its normal hourly compensatory rate and for reimbursement of all reasonable out-of-pocket expenses with the payment of such fees and

expenses to be approved in accordance with the Bankruptcy Code, the FEDERAL RULES OF BANKRUPTCY PROCEDURE, the Local Bankruptcy Rules and orders of this Court.

**COMPENSATION AND REIMBURSEMENT**

14. BDO Capital will bill the Debtors on a monthly basis and all fees and expenses incurred by BDO Capital in the above-referenced bankruptcy cases shall be subject to the Court's final approval pursuant to 11 U.S.C. § 330. BDO Capital will make monthly or quarterly fee applications in accordance with the interim compensation and final compensation procedures set forth in the Bankruptcy Code and Local Rules.

15. Compensation for BDO Capital personnel will be in accordance with BDO Capital's standard hourly rates listed below:

<b><u>Title</u></b>	<b><u>Fees</u></b>
Managing Directors	\$600 – 700 per hour
Principals	\$300 – 600 per hour
Vice Presidents	\$225 – 500 per hour
Associates	\$200 – 250 per hour
Staff	\$125 - 200 per hour

16. Upon the closing of a sale, whether by merger, stock sale or asset sale, pursuant to a bankruptcy process - in one or more transactions of all or substantially all of the operating assets of the Company, BDO shall be entitled to a transaction fee payable in cash out of the proceeds at closing in the amount of five percent (5.0%) of Consideration in excess of the amount of the "Stalking Horse" bid as originally filed with the court. Fees relating to future payments that may be contingent will be paid to BDO on the date on which such payments are due or by mutual agreement of the parties.

17. The Debtors will also reimburse BDO Capital for any reasonable out of pocket expenses incurred in connection with this retention including travel, lodging, telephone charges, etc.

18. The Disclosure of Compensation required by Rule 2016(b) of the FEDERAL RULES OF BANKRUPTCY PROCEDURE is attached hereto in Exhibit B.

19. The Debtors believe that employment of BDO Capital as Debtors' investment banker is in the best interest of the Debtors' creditors and bankruptcy estates.

20. Except as otherwise disclosed, the Debtors have not sought approval to employ any other investment banker in the above-referenced bankruptcy cases.

### III. NOTICE

21. The Debtors have caused a copy of this Application to be served upon (i) the proposed Limited Service List, which includes certain prepetition lenders, known counsel and the consolidated list of the top thirty (30) largest unsecured creditors selected from all four Debtors; (ii) the United States Trustee (iii) the Internal Revenue Service, (iv) the United States Attorney; and (v) those persons who have formally appeared in these Cases and requested service pursuant to Bankruptcy Rule 2002; and (vi) all other applicable government agencies to the extent required by the Bankruptcy Rules and the Bankruptcy Local Rules. The Debtors submit that no other or further notice need be provided.

THEREFORE, Debtors respectfully ask the Court to enter an order approving the employment of BDO CAPITAL ADVISORS, LLC as Debtors' investment banker in the above-referenced bankruptcy case and grant such other and further relief as is just and proper.

Dated: April \_\_\_, 2010

Respectfully submitted,

ANGLEY & BANACK, INCORPORATED  
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745 East Mulberry  
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By:



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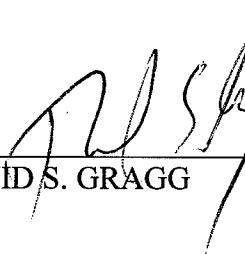
ATTORNEYS FOR THE  
DEBTORS AND DEBTORS-IN-POSSESSION

**CERTIFICATE OF SERVICE**

The undersigned attorney hereby certifies that on April 8, 2010, true and correct copies of the foregoing Application to Employ BDO Capital Advisors, LLC as Debtors' investment banker was served upon those creditors and interested parties reflected on the attached proposed limited service established in these cases and by electronic means to those ECF/PACER participants.

**United States Trustee:**

Kevin Epstein  
P.O. Box 1539  
San Antonio, TX 78295-1539



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DAVID S. GRAGG